

Department of Labor & Industries  
Self-Insurance Section  
PO Box 44891  
Olympia WA 98504-4891  
Non-USPS delivery  
7273 Linderson Way SW  
Tumwater WA 98501



## IRREVOCABLE STANDBY LETTER OF CREDIT

Letter of Credit No.	Effective Date	Applicant (Employer's Name)	
Name and Address of Bank		Amount \$	
Date and Place of Expiration			

### Beneficiary: State of Washington, Department of Labor and Industries

We hereby issue our irrevocable standby letter of credit (hereafter referred to as 'letter of credit') in favor of the state of Washington, Department of Labor and Industries, on behalf of \_\_\_\_\_  
(applicant)

This credit is available with \_\_\_\_\_ by  
(issuing or confirming bank located in the State of Washington)

negotiation of the beneficiary's draft drawn at sight on the issuing bank when accompanied by one of the three following statements, signed by the beneficiary:

That the self-insurer has defaulted on its workers' compensation liabilities under Title 51 of the Revised Code of Washington (RCW).

OR

That the beneficiary has received written notice from the issuing bank that the letter of credit will not be renewed and that no replacement surety has been provided.

OR

That the beneficiary has determined that the existing security is deemed to be inadequate; that additional or replacement security must be provided by the self-insurer and that neither has been provided, notwithstanding written notice to the self-insurer.

This letter of credit is freely negotiable at any bank. Drafts presented must be marked "Drawn under \_\_\_\_\_

\_\_\_\_\_ 's letter of credit number \_\_\_\_\_  
(name of issuing bank)

dated \_\_\_\_\_."

The negotiating bank is authorized to obtain reimbursement for drawings against this credit by \_\_\_\_\_

(reimbursement instructions or N/A)

The purpose of this letter of credit is to create a primary obligation of the part of \_\_\_\_\_

\_\_\_\_\_ and any confirming bank to the Department of Labor and Industries relating  
(issuing bank)

to the self-insured workers' compensation liabilities of \_\_\_\_\_  
(applicant)

\_\_\_\_\_ in accordance with Title 51 RCW regardless of date of injury or occurrence. Except as stated herein, this letter of credit is not subject to any condition or qualification and is the issuing and any confirming bank's individual obligation which is in no way contingent upon reimbursement.

This letter of credit will be automatically extended without amendment for one year from the expiration date shown above, or any future expiration date, unless at least 60 days prior to expiration, we notify the beneficiary by registered mail that we elect not to extend this letter of credit for such additional period. Such notice will be addressed to Program Manager for Self-Insurance, Department of Labor and Industries, PO Box 44891, Olympia WA 98504-4891.

Article 17 of the Uniform Customs and Practice for Documentary Credits does not apply to this letter of credit. If the issuing bank or any confirming bank is closed at the time of the expiration of this letter of credit for any reason that would prevent the delivery of a demand notice during its normal hours of operation, this letter of credit will be automatically extended for a period of 30 days commencing on the next day of operation.

All bank charges for this letter of credit are for the account of the applicant.

Any amendment to this letter of credit must be on the attached form (F207-112-111).

Except so far as otherwise expressly stated, this letter of credit is subject to the Uniform Customs and Practice for Documentary Credits (1993 revision), International Chamber of Commerce Publication #500, and to the laws of the state of Washington. In the event of a conflict between these authorities, the laws of the state of Washington will control.

We hereby engage with drawers, endorsers, and/or bona fide holders that drafts drawn under and negotiated in strict conformity with the terms of this credit will be duly honored on presentation to us.

The funds provided by this letter of credit are not construed to be an asset of the self-insurer. If any legal proceedings are initiated with respect to this letter of credit, it is agreed that such proceedings shall be subject to the courts and laws of the state of Washington.

\_\_\_\_\_ is requested to add its confirmation to this letter of credit.  
(name of confirming bank or N/A)

#### Issuing Bank

Name	Date
Title	
Signature	

\_\_\_\_\_ hereby undertakes to honor any drafts presented to it when  
(name of confirming bank or N/A)  
drawn under and in strict conformity with the terms of this credit.

#### Confirming Bank

Name	Date
Title	
Signature	

Accepted by State of Washington  
Department of Labor and Industries

Date

Program Manager for Self-Insurance

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